

STAFF RECOMMENDATION # 1

By May 1, UC shall submit a report, prepared by actuaries, that responds to the following:

(1) What is normal cost as a percent of salary for UCRP employees hired after 7/1/2013 (the UCRP 2013 Tier)? If this cost varies by employee group, provide each employee group's normal cost as a percent of salary.

(2) For the people described in (1), if UCRP 2013 Tier had limited the amount of covered pay to the Social Security wage base (rather than the Internal Revenue Service compensation limit), what would each employee group's normal cost as a percent of pay be?

(3) Prepare tables that show the following information for each of these six categories of employees: (a) senior management, (b) management senior professional, (c) ladder-rank faculty, (d) other academic staff besides ladder-rank faculty, (e) safety employees, and (f) all other staff.

- *Actual Normal Costs.* Total UCRP 2014-15 normal cost (in dollars) for all current employees (those hired before and after UCRP 2013 Tier). This dollar amount should include the employer and employee's share of normal cost.

- *Normal Cost Under UCRP 2013 Tier.* Estimate what the normal cost (in dollars) would have been for all current UC employees had they been subject to the terms of UCRP 2013 Tier.

- *Normal Costs Under a Modified UCRP 2013 Tier.* Estimate what the normal cost (in dollars) would have been for all current UC employees had they been subject to the terms of UCRP 2013, with one modification: the amount of covered pay was limited to the Social Security wage base (rather than the Internal Revenue compensation limit).

MEMBERS	AYE	NO	ABSENT	NOT VOTING
McCarty(Chair)	X			
Chávez	X			
Kim	X			
O'Donnell	X			
Ting	X			
<i>Total</i>	5	0		